

New Hampshire Board of Accountancy  
Minutes from the Public Session  
Held  
**December 18, 2006**

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Present: Professor Richard Hanson, CPA, Chairman, Jefferson Chickering, CPA Secretary, Ellery Hathorn, Public Member, Deborah Butler, CPA, Wayne Geher, CPA, Sheila Christie, Esquire, Public Member and Owen Walton, Public Accountant. Absent: None

1. **The December 18, 2006 public meeting convened at 8:45 and adjourned at 11:35 am. The non public session convened at 11:40 am and adjourned at 12:05 pm. It should be noted that Ellery Hathorn arrived at 9:10 and was not present for the elections. It should also be noted that the Board was joined by its new member, Wayne Geher, CPA, who was confirmed by the Governor & Council on December 12, 2006 but will not permitted to vote on any Board matter until such time he has submitted his paperwork to the Secretary of States Office.**
2. **First order of business was to elect a new Chairman and new Secretary. Robert Lemay's term expired on December 2, 2006. Deborah Butler acted as presiding officer and asked for nominations. Sheila Christie nominated Professor Richard Hanson, and Jefferson Chickering seconded. A role call vote was taken with Owen Walton, Deborah Butler, Jefferson Chickering, Sheila Christie, all voting yea, Professor Hanson, did not vote and Ellery Hathorn was not present at the time the voting took place.**

**Second order of business was to elect a secretary. At this time Chairman Hanson nominated Jefferson Chickering as secretary and Owen Walton seconded that nomination. A role call vote was taken, with Professor Hanson, Sheila Christie, Owen Walton, Deborah Butler all voting yea and Ellery Hathorn was not present at the time the voting took place**

3. **The minutes from the November 13, 2006 Board meeting were accepted with minor changes.**
4. **Robert Lemay attended the meeting as outgoing chair and it should be noted that he did not vote on any matters before the Board.**
5. **The New Hampshire Society of Certified Public Accountants was represented by Marlene Gazda, CEO.**

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**6. The following Newsletters were reviewed.**

**A. NASBA's State Board Report November 2006**

On Page 2 it was noted that Thompson Learning, the parent company of Prometric, and NASBA's and the AICPA's examination contract partner, has been placed up for sale by Thompson. David Costello stated in the newsletter that NASBA will monitor the sales contract for compliance and consistency purposes.

On Page 4 it was noted that Ronnie Rudd, CPA was awarded the William H. Rensselaer Public Service Award and Jimmie Lee Mason, CPA was awarded the NASBA Distinguished Service Award. Both recipients are from the state of Texas.

On Page 6 it was noted that Dr. Jan R. Williams, Dean of the University of Tennessee's College of Business Administration in Memphis, spoke at NASBA's annual meeting and explained to the participants that eliminating the 150 hour requirement would mean less student interest in getting a master's degree and would increase the likelihood that the additional 30 credits would be taken in an opportunistic way. This Board does not agree with that theory. Professor Hanson felt that forcing the 150 hour requirement before the exam would mean that a candidate would likely only take the minimum amount of accounting needed to sit and would concentrate the remainder on business. The Board felt that the 120 credit requirement, with a concentration in accounting and a strong experience requirement is working for New Hampshire.

On Page 8 it was noted that the CPA Licensing Examination Committee replaced the CPA Examination Committee.

Professor Hanson reported that he had received an email that the CPA Examination Committee and its members had been re-assigned and would he like to serve on the Strategic Initiatives Committee. He was notified of the first meeting too late to attend and the same late notification happened with the first conference call and therefore he missed both events.

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**6. A Continued**

Prof. Hanson asked the Board members if no one had any objections, he would like to decline the offer to join the Strategic Initiatives Committee, as this is not the committee he agreed to and it is not an area of interest for him. He further stated that the whole matter was handled rather inappropriately. Deborah Butler wanted to go on the record as agreeing to Prof. Hanson's assessment of the situation, as did the rest of the voting members of the Board.

**B. North Carolina State Board Report No. 10-2006**

The Board noted that the disciplinary actions and the fees the respondents were assessed for the violations were more than NH's. The Board discussed that it is in the best interest of the public for the Board to change the fine limit of the Board for disciplinary actions.

**C. New Mexico State Board Report**

On Page 1 the Board noted that New Mexico has a pre-approval qualification service and if that service verifies an individual to be in substantial equivalence with the certified public accountant requirements of New Mexico's substantial equivalency act, then the individual will be presumed to have qualifications substantially equivalent to New Mexico's requirement. This provision is for currently licensed CPA's from another state who wish to practice in New Mexico without setting up a domestic office in that state to practice if certain criteria is met. This criteria also consents the applicant to the appointment of the state board and the state of their principal place of business as their agent, upon whom process may be served in any action or proceeding by the state he or she is practicing in. The NH Board has similar criteria and notification procedures in RSA 309-B: 6.

On Page 6 it was noted that the fines for falsely swearing on CPE reports are similar to the ones the NH Board has been using.

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**7. General Correspondence**

**A. NASBA**

In a memo from David Costello, CEO NASBA, it was announced that Lorraine Sachs, current Executive Vice President and Chief Operating Officer will retire from NASBA at the end of 2007. Joe Cote has been appointed as her successor.

**B. NASBA**

The Highlights of the Board of Directors meeting and the summary of the focus questions from last quarter were reviewed. The Board noted that there was a discussion on the trend that is emerging where some states are now requiring 120 hours to sit for the exam and then 150 hours to become certified. The panel was not in favor of this trend and is preparing a substantive and reasonable document that explains why the 150 hours of education is necessary. At this time, there are 12-15 states that have gone back to the 120 to sit for the exam and 150 to be certified. New Hampshire has no plans to change the education or certification requirement. The balance of education and experience works well for New Hampshire.

**C. Email from Deborah Butler**

This email is in regards to updates planned for NH open meetings and records law. This planned legislation will make electronic communications open to public scrutiny and another provision would require officials who discuss public business during a chance social encounter to disclose the conversation at their next official meeting. This legislation will be tracked.

**D. Email Regarding the Amendments to the Federal Rules of Civil Procedure.**

A local CPA firm has asked if the Board has taken a position on the amendments regarding emails in the work place. The Board will respond that Federal Rules are beyond the Boards purview and that the Board itself has to adhere to New Hampshire's Right to Know Law.

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**8. General Correspondence Requiring a Response.**

**A. Regional Directors Focus Questions**

The Board requested that the Executive Director respond before the due date of December 21, 2006.

**B. Wynn Arnold, Boards Attorney**

Attorney Arnold sent the Board notification that the Legal Conference is being held March 11-13<sup>th</sup> 2007. The Board will fund part of the trip if NASBA will assist with the remainder.

**C. Wynn Arnold, Boards Attorney**

Attorney Arnold sent the Board notification that the legislature has introduced legislation to create an adjudication and appeal process for licensing boards and that input is important from each of the boards and commissions. The Board discussed this issue. Upon review of the draft legislation they will comment further.

**D. Fees for Incidental Services**

Whereas the Board does not have explicit authority to charge for certain incidental services such as; statement of grades, or good standing, statement of passing and replacement of original certificates, however, in the same respect are not mandated to perform them. However these services are needed by the licensees and exam candidates and have been performed free of charge. However, the requests are increasing and at this time the Executive Director requested that the Board vote to request a fee for these services if individuals requested them. The fees shall be as follows:

Statement of Good Standing	\$15.00
Statement of Good Standing and Grades	\$15.00
Statement of Grades	\$15.00
Statement of Passing	\$20.00
Replacement of Original Certificate	\$20.00

Owen Walton motioned to accept and apply these fees and Sheila Christie seconded. The Board voted all in favor.

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**E. Hind Mneimneh**

This exam candidate requested one additional window to complete his exam parts and it was granted due to hardship as he is Lebanese, he left Lebanon in July 2006 and the conflict has caused him hardship in completing the exam. The request was granted.

**9. Old and New Business**

**A. Liability Questions**

This issue has been resolved.

**B. Examination Issues**

The Executive Director continues to monitor all issues

**C. Re-Writing of the Administrative Rules**

The Executive Director updated the Board on the progress of the rules. The Board noted that the Administrative Rules, Ac Chapter 100-500, expired December 4, 2006, expect for Ac 301.02-301.03, which were re-adopted and do not expire until 2010. The Board voted to re-adopt the current expired rules to be filed and adopted as interim rules unanimously. The Board is in the process of re-writing the rules at this time.

**D. Future Board Meetings**

The following is the schedule for upcoming meetings

January 22, 2007 at 8:30 am  
February 12, 2007 at 8:30 am  
March 19, 2007 at 8:30 am  
April 23, 2007 at 8:30 am  
May 21, 2007 at 8:30 am

**E. Discussions on Topics of Interest:**

**1. Newsletter**

On hold.

**2. Ethics**

No discussion was held.

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**3. Audits**

The audits of the 2006 licensees who submitted CPE were randomly chosen at the December meeting.

**4. Outsourcing**

Professor Hanson again brought up the issue that the AICPA has issued rules regarding disclosure on outsourcing and should the Board alert the profession. The Board did not feel this was appropriate at this time as the Board has not adopted the AIPCA rules and therefore cannot enforce any such disclosure requirement.

**5. Experience in Consulting, what qualifies?**

No discussion

**10. The following applications for certification were approved at the office of the Board on December 18, 2006.**

Wassim Muhieddine Alaya	4116
Hui Ping Mabel Ang	4117
Claus Bahn	4118
Jocelyn Sue Bickford	4119
Maurizio Caputo	4120
Federico Colacicchi	4121
Daniel F. Friel	4122
Mercedes Fuguet	4123
Steven Earl Geer	4124
Nizar S. Hara	4125
Jin O, Hong	4126
Mehmet Emin Kanar	4127
Martin Kopf	4128
Kwasi Kwarteng	4129
Philipp Thomas Looser	4130
Sang-Eun Park	4131
Hani Rifai	4132
Temico Smith	4133
Kenneth K. Stebbings	4134

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11. Upon the motion of Owen Walton and the second of Deborah Butler, the Board, by roll call vote, resolved to conduct a non-public session for the purpose of discussing complaints of alleged licensee misconduct. This non-public meeting is authorized by RSA 91-A: 3,II (c), RSA 91-A: 3,II (e), RSA 91-A: 5, IV Lodge v. Knowlton, 118 N.H. 574 (1978) and the Board's executive and deliberative privileges. Each member recorded his or her vote on the motion, which passed by a unanimous roll call vote which is as follows:

Vote: Professor Richard Hanson, Yea, Jefferson Chickering, Yea, Ellery Hathorn, Yea, Deborah Butler, Yea, Owen Walton, Yea and Sheila Christie, Yea.

12. Upon the motion of Ellery Hathorn and the second of Professor Hanson, the Board, by roll call vote, resolved to withhold the minutes of the preceding non-public session from public disclosure pursuant to RSA 91-A:3, III on the grounds that public disclosure would be likely to effect adversely the reputation of a person other than a board member and to render the proposed action ineffective. Each member recorded his or her vote on the motion, which passed by a unanimous roll vote of all members present which is recorded as follows:

Vote: Professor Richard Hanson, Jefferson Chickering, Yea, Ellery Hathorn, Yea, Deborah Butler, Yea, Owen Walton, Yea and Sheila Christie, Yea.

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Jefferson Chickering, Secretary and Certified  
Public Accountant